Losses suffered by the Food Corporation of India

897. SHRI SOM PAL: Will the Minister of FOOD be pleased to state;

(a) what have been the losses incurred by the Food Corporation of India during the past six years;

(b) what have been the main factors responsible for those losses;

(c) what steps have been taken by Government to bring down these losses; and

(d) to what extent Government have succeded to bring down the losses?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES AND PUBLIC DISTRIBUTION (SHRI KAMALUDDIN AHMED): (a) The difference between economic cost of procurement of foodgrains based on minimum support prices fixed by the government and the realisation made by the FCI by way of sales on issue prices fixed by the Government, is reimbursed to FCI as food subsidy and is not considered as losses incurred by the FCI. However, on some peripheral activities like handling of imported fertilisers, distribution of foodgrains on behalf of the State Governments of West Bengal and Kerala and handling of gift consignments under World Food Programme etc., the Corporation has earned profit/incurred losses as given below:—

Year	Rs. Crores
1985-86 (profit) . . .	0·59
1986-87 (Loss) . . .	1·27
1987-88) Loss) . . .	3·72
1988-89 (loss) . . .	7·53
19 -90 (loss) . . .	11·10
1990-91 (loss) . . .	7·95

(b) Government of India decided that FCI should handle imported fertilisers because of its available infrastructure at the major ports of the country. But the distribution of the fertilisers stocks is regulated by Government through allotments of different States and also through the fixation of prices and margins. These regulations together with the glut in the market and the inadequate margins allowed to FCI resulted in losses in the handling of imported fertilisers.

(c) and (d) As the margins allowed on fertiliser handling were not remunerative, the Corporation suspended the handling of new stocks of fertilisers since 1986. The dispute between the Corporation and the Department of Fertilisers regarding margins to be allowed was referred to arbitration. The arbitrator has given his award and the matter of execution of the award is being pursued with the Department of Fertilisers. FCI has also been taking up the matter of increase in margins with State Governments of West Bengal and Kerala pending take over of such distribution by State Governments or its agencies as elsewhere.

Subsidised foodgrains to the Tribal People of North Eastern States

898. SHRI SOM PAL: Will the Minister of FOOD be pleased to state:

(a) whether there is any scheme to provide wheat and other foodgrain at subsidised rates to the tribal people of North Eastern States including Sikkim;

(b) if so, what are the details thereof;

(c) what is the number of tribal families in the respective States (district-wise) that have been benefited by the scheme over the past three years; and

(d) the quantities of wheat and other food grains allotted to the various States during the past three years?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES AND PUBLIC DISTRIBUTION (SHRI KAMALUDDIN AHMED): (a) and (b) Yes, Sir. Under the scheme introduced by Government of India w.e.f. December, 1985 wheat and rice are supplied to State Governments by FCI on specially subsidised prices to all the inhabitants living in Tribal majority States of Arunachal Pradesh, Mizoram, Meghalaya and Nagaland and ITDP areas in Assam, Manipur, Tripura and Sikkim.

(c) All the families in the tribal majority States of Arunachal Pradesh and also all the families in the ITDP Mizoram, Nagaland and Meghalaya areas in the States of Assam, Tripura, Manipur and Sikkim stand covered under the Scheme.

(d) A statement showing the quantity of wheat and rice supplied by Food Corporation of India to various North Eastern States and Sikkim during the past three years is enclosed at the Annexure.

[See Appendix CLXIV, ANNEXURE No. 21]

Setting up of sugar factories in the co-opeartive

899. SHRI MURLIDHAR CHANDRAKANT BHANDARE:
SHRIMATI VEENA VERMA:

Will the Minister of FOOD be pleased to state:

(a) whether Government's attention has been drawn to the report appeared in the 'Hindu' of 6th June, 1992, captioned "Mixing sugar and politics";

(b) if so, the number of cooperatives to whom letters of intent for setting up of sugar factories in the cooperative sector were issued during 1990, 1991 and so far in 1992 indicating the production capacity to be installed; and

(c) the number of sugar factories which have started production after the issue of licences?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES AND PUBLIC DISTRIBUTION (SHRI KAMALUDDIN AHMED): (a) Yes, Sir.

(b) 26 letters of Intent have been issued for setting up of new sugar factories in the Co-operative Sector during 1990, 1991 and 1992 (upto 30.6.92) involving an annual sugar production capacity of 10.3567 Lakh Tonnes.

(c) Out of the aforesaid letters of intent, no sugar factory has started production so far.

Production of rice by F C I

900. SHRI TRILOK NATH CHATURVEDI:
SHRI SUNDER SINGH BHANDARI:
DR. MURLI MANOHAR JOSHI:
SHRI VISHNU KANT SHASTRI:

Will the Minister of FOOD be pleased to state:

(a) the position of buffer stock of rice with the Food Corporation of India at the end of June 1992;

(b) the quantity of rice procured by Food Corporation of India during the paddy crop of 1991 from each of the States;

(c) the procurement price of different varieties of rice for the above season; and